

REGULAR BOARD OF TRUSTEES MEETING MINUTES

Tuesday, June 27, 2006

Don Bennett called the meeting to order at 10:05 a.m. Other Board members present included Kevin Boehnlein, Karen Davis, Tim Walsh, Cari Whicker and Chuck Schalliol.

TRF staff present included Cristy Wheeler, Bob Newland, Tom Abbett, Crystal Lawson, Phil Barnes, Amy Maynard, Ken Smithee, Steffanie Rhinesmith and Shelley Horner. Also in attendance were Greg Strack and Tony Armstrong of the Budget Agency, Ken Brunke and Gary Robertson from Callan Associates, Alejandra Valle of Gonzalez, Saggio & Harlan, LLP, Bill Indelicato and Ken Jarvis of Portfolio Advisors and Linny Harris of IRTA and Terry Troxell of ISTA.

The Agenda was presented.

Kevin Boehnlein moved to approve the agenda. Tim Walsh seconded the motion. The motion carried.

The minutes of the May 25, 2006 meeting were presented. Clarification was made regarding the Flex Plan formal document being approved rather than the plan being created.

Cari Whicker moved to approve the minutes. Tony Armstrong (as proxy for Chuck Schalliol) seconded the motion. The motion carried.

Shelley Horner presented retiree payments for the month of July 2006.

Kevin Boehnlein moved to accept the payments. Tim Walsh seconded the motion. The motion carried.

Tom Abbett presented the expenditures for May 2006.

Chuck Schalliol arrived at 10:10 a.m.

Cristy Wheeler discussed the Director's report. Cristy noted that there will be an Operations Division update at the next board meeting. Crystal Lawson updated the board on the new look for our website along with an online account maintenance feature allowing members the convenience of changing their information online.

Cristy Wheeler introduced one of our new outside counsel representatives, Alejandro Valle from the law firm of Gonzalez, Saggio & Harlan, LLP.

Cristy Wheeler commented on her NCTR Director's Meeting. Cristy spoke with the Director to find out who was the best in technology, customer service, communication, etc. She found out that TRF was the first to have a defined contribution plan to coincide with the defined benefit and social security. Washington State and Ohio have the closest matched plan to TRF.

Cristy Wheeler noted that she will be speaking at the IRTA meeting and will also be attending the quarterly Indiana Future Fund meeting with Bob in mid July.

Cristy Wheeler and Tom Abbett presented the 06-07 fiscal budget for final approval.

Kevin Boehnlein moved to approve the 06-07 fiscal budget as presented. Tim Walsh seconded the motion. The motion carried.

Bob Newland introduced Ken Brunke and Gary Robertson of Callan Associates to discuss Private Equity. Gary Robertson discussed private equity programs, benchmarking and performance evaluation, and he reviewed the

current market conditions. He also spoke of the required ongoing maintenance, the market value of assets dictates types of vehicles and providers and how critical implementation is to success in private equity.

Callan's presentation ended at 11:15 a.m.

Don Bennett called for a break.

The meeting resumed at 11:20 a.m.

Bob Newland introduced Ken Jarvis and Bill Indelicato with Portfolio Advisors. Mr. Jarvis and Mr. Indelicato discussed the Fund's activity as of 3/31/06 with a five-year commitment target of \$280-320 million. Portfolio Advisors has approved or closed \$306.8 million of commitments to 67 funds with approximately \$13.2 million yet to be committed in 2005. Looking to the future, Portfolio Advisors is continuing to focus on select secondary opportunities as well as closing a 3rd quarter deal with a venture capital fund.

Portfolio Advisors presentation ended at 12:10 p.m.

The Board decided to defer the Investment Policy Statement (IPS) until next meeting.

The next meeting was scheduled for August 1, 2006 at 10:00 a.m. The August meeting was confirmed for August 29, 2006.

Tim Walsh moved to approve adjournment. Chuck Schalliol seconded the motion. The motion carried. There being no additional business, the meeting adjourned at 12:15 p.m.